

THE LICENCING (FEES) (SCOTLAND) AMENDMENT REGULATIONS 2018

Business and Regulatory Impact Assessment

Title of proposal

1. The Licensing (Fees) (Scotland) Amendment Regulations 2018.

Purpose and intended effect

(i) Policy objective

2. The purpose of the SSI is to prescribe the fee payable to Licensing Boards under the Licensing (Scotland) Act 2005 (2005 Act) for a personal licence renewal application.
3. The SSI will come into force on 1 October 2018.

(ii) Background

4. The 2005 Act represented a significant overhaul of the alcohol licensing system. In relation to fees, the 2005 Act allows Ministers to make provision for the fee levels to be charged by Licensing Boards.
5. [‘The Licensing \(Fees\) \(Scotland\) Regulations 2007’](#) (SSI 2007/553) (the 2007 Regulations) were made in exercise of the powers conferred by sections 136(1) and (2) and 146(2) of the 2005 Act to provide for the fees to be charged by Licensing Boards in relation to various matters under the 2005 Act. Regulation 17 of the 2007 Regulations set the fee payable when applying for a personal licence at a flat rate of £50:

Application for personal licence

17. The fee payable in respect of an application under section 72(1) of the Act is £50.

6. Section 77 of the 2005 Act also sets out that a personal licence has effect, subject to conditions, for a period of ten years from the date on which it is issued.
7. Renewal of the personal licence every ten years provides an opportunity to check that any convictions for relevant and foreign offences have been properly notified to the relevant licensing authority, and that all such convictions have been properly endorsed upon the licence. It also provides an opportunity to ensure that the photograph of the holder on the personal licence is updated to aid identification.
8. The 2007 Regulations did not prescribe the fee payable to Licensing Boards under the 2005 Act for a personal licence renewal application.

9. These Regulations amend the Licensing (Fees)(Scotland) Regulations 2007 by inserting Regulation 17A therein to make provision for a fee to be payable to Licensing Boards under the 2005 Act for a personal licence renewal application.

(iii) Rationale for Government Intervention

10. Failure to provide this additional income to Licensing Boards to help with the cost of processing personal licence renewal applications risks undermining the aims of the 2005 Act by leaving Licensing Boards under-funded. The absence of a personal licence renewal fee would create a funding gap that would need to be met from other local authority budgets to the detriment of other public services and inhibit the ability of Boards to undertake their full duties under the 2005 Act.

Consultation

11. The Scottish Government undertook a public consultation from 11 July 2018 to 15 August 2018. The consultation sought views on whether or not to update the 2007 Regulations to introduce a fee for applying to renew a personal licence, and whether or not to set that fee at £50.
12. The Scottish Government received responses from licensing stakeholders, Licensing Boards and others. The Regulations have been prepared following consideration of these responses.

Options

(i) Option 1 – introduce a renewal fee

13. Introducing a fee for applying to renew a personal licence will provide additional income for Licensing Boards to help with the cost of processing such applications. The consultation paper proposed a fee at renewal of £50 to help with the Boards costs. This would match the fee charged at initial application and would result in personal licence holders paying a £50 fee every ten years.

(ii) Option 2 – do not introduce a renewal fee

14. Not introducing a fee for applying to renew a personal licence would, as stated above, create a funding gap for Licensing Boards/ Local Authorities that would need to be met from other local authority budgets to the detriment of other public services and would inhibit their ability to discharge their functions under the 2005 Act.

(iii) Benefits Option 1

15. For Licensing Boards this additional income will help with the costs that they face renewing personal licences. On 31 March 2017 there were 56,236 personal licences in force in Scotland. While not all Personal Licence Holders will look to renew their licence after ten years, it is expected that many will when they are required to.

(iv) Benefits Option 2

16. Those applying to renew their personal licence would face no additional cost. Having paid £50 on application for their original personal licence ten years previously.

(v) Costs Option 1

17. The cost of renewal will fall on the individuals applying to renew a personal licence or the company they work for. Each premises requires to have a premises manager and the premises manager must hold a personal licence. This means that the cost to each business upon renewal will be at least £50. Some businesses may choose to have more than one personal licence holder.
18. As stated above, on 31 March 2017 there were 56,236 personal licences in force in Scotland. In 2019, which is the ten year renewal point for those Personal Licence Holders who first obtained their licence when the current regime came into force in 2009, we estimate that there could be approximately 24,000 applications to renew a personal licence made. We could therefore expect the total income to Licensing Boards in Scotland to be in the region of £1,200,000 in 2019. There will then be ongoing rolling programme of renewal of the remaining personal licences in the years ahead.

(vi) Costs Option 2

19. As stated above, the absence of a personal licence renewal fee would create a funding gap for Licensing Boards.

Implementation and delivery plan

20. The Scottish Government is raising awareness amongst licensing stakeholders of the need for personal licence holders to renew their personal licences and a separate requirement to undertake refresher training.
21. Application forms for renewal of a personal licence will be provided on individual Licensing Board webpages and we will encourage Boards to make applicants aware of the fee to be paid at renewal.

Summary and recommendation

22. The Scottish Government considers that the Regulations seek to help with the administration costs to Licensing Boards of processing personal licence renewal applications with a fee level which is appropriate to the businesses concerned. It is considered that the Regulations are proportionate to the risks involved. It is recommended that the SSI be implemented as described.

Declaration and publication

23. I have read the Regulatory Impact Assessment and am satisfied that the benefits justify the costs.

